

City of Vinton
Employee Benefits RFP
March 22, 2021

OVERVIEW

The City of Vinton is seeking proposals for an employee benefits consultant. The initial emphasis of this project is to look at employee engagement strategies to enhance customer service to the City of Vinton employees.

The City of Vinton is interested in selecting a vendor who provides quality services and support. The focus of the vendor should be customer satisfaction through consistent quality of all services provided. Vendors should demonstrate a commitment to continuous improvement of their product and services. A complete list of functionality and requirements are described in the "Scope of Services" section.

CITY OF VINTON BACKGROUND

Vinton is the county seat of Benton County. Located just thirty minutes from Cedar Rapids and thirty-five minutes from Waterloo;

The city was established in 1849 and 5,257 people call Vinton home.

The City operates under the council/mayor form of government. The City Council consists of six members and an elected Mayor.

Vinton's City Council meets in regular session on the Second and Fourth Thursday's of the month.

City of Vinton insures approximately 31 employees and retirees collectively. Total insured plan membership is approximately 111 people. City of Vinton provides civil services to the community of Vinton, Iowa. City of Vinton does bargain with the Teamsters and I.B.E.W. unions.

City of Vinton is seeking proposals to provide benefits consulting services (as opposed to "Brokerage" services) for the organization for a minimum of three (3) years, with the option for City of Vinton to renew for additional one-year periods. The desired consulting services include self-funded medical, including prescription drug coverage and dental insurance, Flexible Spending Account (FSA), and fully insured long-term disability, and life insurance (hereinafter "services"). City of Vinton has historically selected a single consultant to provide professional services pertaining to all employee benefits.

Below is a list of benefit plans currently held by City of Vinton:

- Medical Plan through Wellmark
- Dental plan through Sun Life Financial
- Life Insurance through Reliance Standard

Please ensure all proposals are for benefits consulting services; this is not a request for insurers or other underwriting sources on behalf of City of Vinton.

CONTACT INFORMATION

The vendor's principal contact with the City will be Chris Ward, City Administrator. Contact information:

City of Vinton
110 West Third Street
Vinton, IA 52349
319-472-4707

SCHEDULE OF ACTIVITIES

| | |
|----------------------------|----------------------------|
| RFQ Release | March 22, 2021 |
| RFQ Questions Accepted* | March 22, 2021 |
| Submission Deadline | By 4:30pm on April 1, 2021 |
| Review of Proposals Begins | April 5, 2021 |
| Vendor evaluations | April 8, 2021 |
| Selection Notice | April 9, 2021 |

PROPOSAL INFORMATION

Vendors should completely read the requirements and description of this proposal. All inquiries concerning this RFQ should be submitted in writing via email to Chris Ward at

cward@vintoniowa.net. Final submissions should be submitted via email at City of Vinton City Clerk at mschwan@vintoniowa.net with the subject line as "RFQ Submission- Benefits Consultant".

Proposals must be received by 4:30 p.m. CST on Thursday, April 1, 2021.

Late proposals or proposals delivered elsewhere will not be considered.

Proposals shall contain a cover letter, an executive summary, and a cost proposal. An explanation of the rate or fee structure should be included in the cost portion of the proposal.

As the evaluation process moves forward, City of Vinton may reach out asking for clarification. Please ensure the proposal includes contact information for the person who will be representing the service provider through the process and who has the authority to bind the provider.

Addenda

Addenda are any graphic or written instruments issued by the City of Vinton prior to the date for receipt of proposals, which modify or interpret this document by additions, deletions, clarifications or corrections. Addenda will be emailed to all who are known to have received documents and posted on the [City's website](#). No addenda will be issued later than March 26, 2021 except an addendum postponing or withdrawing the request for qualifications.

Exceptions

Exceptions to any part of the requirements stated in this request must be clearly identified as exceptions in the submitted proposal under the "Exceptions" section.

Withdrawals

All requests to withdraw or resubmit a proposal must be made in writing to the City of Vinton any time prior to the deadline for submittal.

Proposal Clarification Questions

After reviewing all proposals received in response to this RFQ, the City of Vinton may develop a list of clarification questions to be addressed by the vendor. The City will send these questions to the vendor for clarification. The vendor shall provide a response to the City within five (5) working days following

receipt of the inquiry.

Evaluation Criteria

This RFQ is not meant to favor any vendor or manufacturer. Instead, it is designed to meet the needs of the City of Vinton. The City will weigh the proposals based on the Vendor's references, services, qualifications and support, as well as technical merit and cost. Award will not be made on price alone. In awarding the contract, the City may take into consideration the Vendor's skill, facilities, capacity, experience, responsibility, previous work record, financial standing, the necessity of prompt and efficient completion of work described in the proposal documents or other factors the City of Vinton considers relevant. Inability of Vendor to meet these conditions may be cause for rejection of the proposal.

The City is seeking a total solution that addresses the needs outlined in this RFQ. Vendors may not respond "a la carte" to items identified in this proposal. Vendors may partner with other vendors to achieve the total solution requested. Only one vendor must be identified as the proposing vendor for this proposal.

In providing information in your proposal. Please follow the following steps:

1. Briefly restate each item at the beginning of your answer
 2. Limit the total length of your proposal by the following guidelines:
 - a. No more than 12 pages in response to section "Information to be Provided in Proposal"
 - b. No more than a 2-page proposal
 - c. No more than 20 pages in providing samples or supporting documentation
 3. Limit your proposal to one bound volume and do not include material outside of such volume.
- Responses to each item should appear in the same order as in this RFQ, and should designate by page, section, and paragraph the item to which the response applies.

Acceptance

The City reserves the right to accept or reject any or all proposals and waive formalities or irregularities in the process. A proposal, once submitted, shall be deemed final and binding on the Vendor, and shall constitute an option with the City of Vinton to enter a contract upon the terms set forth in the proposal. All proposals must be valid for 60 days from proposal due date.

Proposal Award

Unless otherwise indicated in the specification for a proposal, the City of Vinton reserves the right to award the proposal in whole or in part, by item or by group of items, where such action serves the best interests of the City. Awards will not be made based on price alone, nor will they be based solely upon the lowest fees submitted. The award will be made as will best promote the City's interest, taking into consideration the qualifications of the firm or individual submitting the proposal; the responsiveness of the proposal in meeting the requirements and specifications; the quality of the materials, equipment, or services to be furnished and their conformity to the specifications; contractual requirements and any additional specific criteria for evaluation included in the RFQ.

QUALIFYING CRITERIA

In order to be considered as the service provider to City of Vinton, any forthcoming firm must demonstrate its abilities and experience in the following key areas:

- Leadership and innovation in the insurance consulting business
- Experience, including the public entity market, utility experience beneficial but not required
- Experience with multi-employer self-insurance pools would be beneficial but is not required
- Professional references reasonable cost business ethics

In its proposal, each vendor must demonstrate experience in providing insurance consulting services for other government municipalities like City of Vinton.

Answer all items under the "Information to be Provided in Proposal."

SCOPE OF SERVICES

Services provided by the selected service provider are to be performed as follows:

- Services shall be administered with the best interests of City of Vinton. The services provider will also be expected to provide advice and guidance on forms and policy limits appropriate to City of Vinton's process and administration.

Additionally, the benefits service provider shall:

1. Develop a comprehensive understanding of employee benefits offered currently by City of Vinton to its employees and consult with City of Vinton regarding the development and administration of medical, prescription drug coverage, dental, FSA, Section 125, life, and LTD employee benefit plans.
2. Assist in the overall design of the employee benefits programs specified in item 1 and aid in keeping City of Vinton in compliance with all state and federal legislation and regulation.
3. Examine and evaluate current employee health care benefits regarding rates, administrative costs, benefits structure (and alternatives), administration procedures, and comparability to similar employers, both in the public and private sector.
4. As requested by City of Vinton, prepare bid specifications (RFP's), "net of commissions", for City of Vinton employee benefit programs. Competitive bidding for the solicitation of bids may include all or a portion of the plan's benefits (including stop-loss coverage, ASO arrangements) or from other vendors to provide other services to the Plan. Identify appropriate vendors or insurers as potential bidders. Upon receipt of bids, analyze and evaluate the bids. Provide, when requested, an abstract of the bids received and a recommendation for the selection of the insurer or plan. When it is feasible, a minimum of three competitive quotes should be obtained for each type of insurance. Note: as identified in "Proposal Information", annual recurring consulting fees should be quoted separately from additional fees charged in years when RFP's are pursued.
5. Assist City of Vinton group in any transition to a new or revised plan, insurer or vendor to ensure effective and efficient plan implementation.
6. Respond to inquiries posed by City of Vinton representatives regarding issues or concerns of coverage and obtain clarification from insurers regarding coverage or claims.
7. Assist City of Vinton with insurers or vendors chosen through the RFP or other bid solicitation process on contract execution.
8. Assist with training and education relative to claims management, claims processing and related topics of administration of employee benefit plans.
9. Evaluate existing and proposed plan documents and contracts; recommend changes or efficiencies based upon City of Vinton objectives, state and federal laws and regulations.

10. Evaluate the claim information provided to City of Vinton by the various vendors at least annually; present an analysis of the claims filed, paid, or rejected. For self-insured benefits, evaluate the plan's reserve position and calculate appropriate reserve and claims trends.
11. Consultation on City of Vinton's wellness program strategy and recommend changes as necessary.
12. Identify and evaluate vendors for outsourcing COBRA administration for City of Vinton.
13. Participate in Benefits Committee meetings (typically 3-4 per year) or as requested by City of Vinton. Assist in developing a collaborative committee composed of represented and non-represented employees. Assist the committee in understanding federal and state health care legislation and its impact on the organization and its employees.
14. Meet with City of Vinton covered employees, including former employees (e.g., retirees) as needed to explain benefit programs and coverage. This includes assistance at annual enrollment meetings. City of Vinton has handled enrollment meetings at various City of Vinton locations.

We anticipate having 1-2 open enrollment meetings each year. However, in a year with no plan changes it is possible that enrollment information and communications will be distributed electronically.

15. Assist City of Vinton representatives with planning of a biennial health fair for employees, typically held in February.
16. Assist City of Vinton officials with claim resolution and conflict; assist in communicating actions to employees, if needed.
17. Assist relevant City of Vinton staff in training and education relative to employee benefit programs to help ensure proper communications between employees, insurers, vendors and City of Vinton employees.
18. Be available to meet with any City of Vinton-approved consultants, lawyers, medical directors, insurers or vendors to evaluate or change policies, procedures or negotiate contracts when appropriate.
19. The designated representative assigned by the services provider to City of Vinton shall have the knowledge of technical insurance matters and the ability to advise City of Vinton as to these respective matters. The services provider shall inform City of Vinton of employee benefit and insurance trends, proposed regulatory changes, and new insurance products when opportunity presents itself.
20. These services should include the review of new and renewal policies of current providers to ensure that coverage and premiums are as agreed; any and all declarations and endorsements have been properly completed; and that all forms and endorsements have been attached to the

policy.

21. The services provider shall have and maintain consulting services for both claims and loss control issues and submit respective reports on claims that potentially may be requested.

INFORMATION TO BE PROVIDED IN PROPOSAL

A. Describe the firm and how it is organized and the resources it has available to execute the scope of services outlined in previous section. List the names and titles of the professionals who would be providing consulting services to City of Vinton. Include a breakdown of each individual within the appropriate hourly compensation category on each service and the basis for which fees are incurred that may vary depending on dollar volume of service. Designate each individual who would be primarily responsible for performing the insurance services, the specific experience and any special expertise of each such individual and information concerning the education, position in the firm, and years and type of experience for each individual. Your response should also include the name, address, and telephone number of an individual within your firm who will be City of Vinton's primary contact concerning this RFP.

B. Describe the firm's experience in being a provider of insurance services to other public entities within the State of Iowa for the last three years. Provide a list of at least three references and phone numbers for those that can be contacted as a reference for information regarding your experience.

C. Outline how far in advance of renewal information you would provide City of Vinton.

D. Describe how your firm would assist City of Vinton in meeting its statutory obligations to provide insurance. Samples of forms and information you use to help Iowa municipalities with insurance issues should be included.

E. Describe the process your firm would use to settle claims that would potentially impact the City of Vinton from a financial perspective.

F. With which insurance carriers do you place the most business? Why? Provide any other additional information that would be of value to City of Vinton during the review and selection process.

G. Provide information on any litigation, arbitration, mediation, administrative proceeding, or other dispute resolution method in which the firm was a party in any matter related to the professional activities of the firm during the five years prior to the date of this RFP.

H. Provide information on any pending litigation, investigation or proceeding in which a court or administrative organization is addressing any question relating to the professional activities of the firm.

I. Will the selection of the firm result in any current or potential conflict of interest? Should any potential or existing conflict be known, the proposal shall specify the party with which the

conflict exists or might arise, the nature of the conflict and whether the firm would step aside or resign from that engagement or representation creating the conflict.

J. Does your firm have any arrangement(s) with any individuals or entities in regard to the sharing any compensation, fees or profit received from or in relation to acting as the provider of insurance services for City of Vinton or whose compensation is based in whole or in part on compensation for acting as such service provider for City of Vinton? If so, provide a copy of any contract relating to the arrangement and describe in detail the nature of the arrangement including the method of how compensation is determined.

K. Has your firm retained any person for the purpose of seeking to be selected as the provider of insurance services pursuant to this RFQ? If so, identify the individual or firm, provide specific information relating to compensation paid or to be paid in connection with such services, and provide a copy of any written contract relating to such arrangement.

COMPENSATION

Each vendor submitting a proposal should indicate a breakdown of annual compensation during each year of the three-year period and for each of the potential one-year renewal periods. The fees indicated should include all related costs and expenses including but not limited to overhead and support staff for each level.

Compensation amounts should include the following:

- 1) Consulting fees for annual recurring services. Fees should be quoted net of commissions.
- 2) Additional consulting fees for each plan in a year (or years) when City of Vinton pursues competitive bidding with carriers/providers.
- 3) Reimbursable expenses (stated as a not-to-exceed amount), if applicable.

SERVICE PROVIDER CONTRACT

Upon approval by City of Vinton's City Council, the selected services provider shall perform consulting services in line with its proposal and the terms and conditions of a contract to be entered into by and between City of Vinton and the selected service provider.

The services provider must provide a certificate of insurance to City of Vinton prior to any agreement being signed with the selected provider. The certificate must demonstrate at least the following minimum insurance coverage:

- Commercial general liability of \$1 million per occurrence with a \$2 million aggregate limit.
- Professional liability / errors and omissions of not less than \$5 million.

- Workers' compensation coverage at statutory limits, including a waiver of subrogation in favor of City of Vinton.

City of Vinton may terminate any insurance consulting services contract at any time within thirty (30) days' notice in writing.

Thank you for your consideration of this request.

Chris Ward
City Administrator
110 West Third Street
PO Box 529
Vinton, IA 52349
(319) 472-4707
cward@vintoniowa.net